

DEPARTMENT OF FINANCIAL INSTITUTIONS
PROPOSED REGULATIONS

TEXT OF MODIFIED REGULATIONS

Changes are illustrated by double underline for proposed additions and by strikeout for proposed deletions.

TITLE 10. INVESTMENT

Chapter 1. Commissioner of Financial Institutions

Subchapter 10. Banks

Article 11. Securities

Subarticle 2. Acquisition of Bank's Own Securities

10.19901. Approval of Application for Acquisition of Own Securities by Bank or Trust Company

As an administrative standard, the Commissioner shall consider all of the following factors in processing an application for acquisition by a bank or trust company of its own shares:

(a) The acquisition by the bank or trust company of its own shares would not materially impair the financial condition of the applicant, particularly its capital adequacy, and the safety and soundness of the institution.

(b) The proposed acquisition complies with the provisions of Financial Code Sections 642, 643, and 644.

(c) The applicant has confirmed that all material information has been disclosed in the application.

(d) An opinion of an attorney at law that the acquisition will comply with ~~all applicable laws~~ applicable securities laws and applicable provisions of the Financial Code.

NOTE: Authority cited: Section 215, Financial Code. Reference: Sections 642, 643, 644, and 3359, Financial Code.